



FORESTRY FUTURES TRUST
ONTARIO
2025/26 Annual Committee Report

Forestry Futures Trust Committee

**1294 Balmoral Street, Suite 2003
Thunder Bay, ON P7B 5Z5**

Telephone: (807) 343-8010 ext. 8503

Email: admin@forestryfutures.com

Website: www.forestryfutures.ca

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FFTC Forest Observations – 2025-2026

As the end of the fiscal 25/26 year draws to a close, along with my 10-year tenure as Chair of FFTC, I am caused to reflect on the experience of the past decade in observing the Ontario forest sector from a unique seat on the sidelines. Some observations:

- On the Independent Forest Audit Program (IFA) – Over the past decade I have come to regard this program as key in ensuring the integrity of sustainable forest management in Ontario and at the same time *providing assurance* to the Minister of Natural Resources **and** the public that the delegation of operational forest management to Industry was a wise as well as an efficient decision. I can only congratulate the drafters of the 1994 Crown Forest Sustainability Act for their foresight in setting out the notion of an IFA audit tool in the new Act. IFAs over the past decade (57 audits by nine audit firms) have consistently shown that for the most part Industry has met its assigned responsibilities. Where the occasional concern may have been identified in operational program delivery, the application of the formal “action plan” process has succeeded in reorienting activities to bring them back in-line with approved direction. The IFA process continues to be a “work in progress”. For instance, issues of Ministry of Natural Resources (MNR) policy that get identified by the IFA process frequently get “lost” in the complications of government policy making, a situation of MNR credibility that requires a solution. Early in the past decade Silviculture Effectiveness Monitoring (SEM) was introduced into the Ontario forest management system. However, the early audits pointed to inconsistency in program delivery across the system and additional work at the policy development level was required before the function became reasonably seamless in its application by both Industry and MNR. Increasingly, the IFAs appear to point to something of a breakdown in compliance monitoring and reporting by both Industry and MNR, a breakdown that is bordering on becoming systemic. Compliance is a situation where direction is clear and the process is generally well defined. Increased training may be of assistance here, but at some point in time the need for accountability at personal and organizational level may have to be emphasized. A recent audit of one SFL where a new ‘Irregular Shelterwood System’ (ISS) had been adopted for implementation generated much discussion among MNR, the SFL, and the Auditors. That debate and discussion is interpreted to reflect significant immaturity in the program’s development and a need for all the parties to better define and understand its possibilities, its expectations, and its realities. Homework and time can assist in moving ISS into a viable management function if such direction is desired. Unfortunately, the application of new science and new policy inevitably takes longer than one would wish but is required to ensure as the notion of sustainable forestry improves in its detail over time.
- On the “Independence” of the forest audit program – The IFA process as currently set out is designed to audit the activities of both Industry and MNR, in other words MNR is an auditee. To be deemed to be successful the process must be, **and must be seen to be**, independent of undue inside influence from MNR. The fact that MNR actually hires the auditors weakens the perception of independence. As a Committee Member recently brought to my attention, British Columbia does a much more commendable job in bringing independence to its forest audit process than Ontario. There have been periodic discussions over the past 20 or so years of strengthening FFTC’s independence by turning it into a formal Crown entity (agency, board, or commission) whereby it could, for instance and among other things, do its own auditor hiring and management. The need for ongoing integrity in Ontario’s IFA process would suggest the notion of FFTC incorporation needs to be revisited.

- On Forest Genetic Resource Management (FGRM) – Prior to perhaps 2009, MNR had a formal partnership with Industry which was involved in delivering a reasonably robust FGRM program. That program was predominantly focused on tree improvement via ‘improved’ seed for Crown land boreal conifer species generated from new first and second generation seed orchards. By 2014 the partnership had collapsed and Industry was alone in maintaining interest in improved seed. However, MNR recognized that the investment in the then current Crown orchard infrastructure would be lost without ongoing maintenance and the Minister made funding for maintenance and modest ongoing program development available via FFTC, and ‘improved’ seed began to increasingly flow into the planting process. More recently, FFTC has been made clearly aware by Industry that it will not direct significant funding into FGRM in Ontario until such time as MNR formally recognizes the benefits that can flow from the investment in the use of improved seed including shortened rotation ages via improved yield curves for use in forest management planning as is done in other jurisdictions, improved pest resistance in planted stock, and improved seedling quality (e.g. fast growing seedlings the leaders of which will resist heavier winter snow loads). The potential of genetic gain as the key low-hanging fruit in the future of Ontario forestry needs to be recognized and captured now!
- On The Potential Loss of Herbicides – Industry in Ontario has, for the past couple decades, been acutely aware of the potential loss of herbicide treatment as a tool for suppressing competing vegetation in new plantations; the depressing Quebec experience over the past decade has not engendered any optimism that they will not be embarking on a fool’s errand. However, that some optimism does occasionally raise its head was apparent on a recent IFA on the Gordon Cosens where the audit team was shown a new conifer plantation, intentionally set out without herbicide treatment, whereby the previous year’s “improved” planting stock had clearly outpaced the competition, but the tops had succumbed winter snow load and were bent parallel to the ground. The young company forester indicated they were going “back to the drawing board” (‘Blessed be the exuberance of youth!’)! However, the real question today has to be where is MNR leadership in instituting a pre-emptive organized approach to the potential loss of herbicides in forest management. Much good work was undertaken over the past 30 years in research in vegetative management in Ontario; it needs now to be augmented by a planned initiative in FGRM by a renewed Industry/MNR partnership to assist in reaching an early solution. The issue needs attention now!

R. A. Riley

FFTC Chair (2016-2026)

WHO WE ARE & WHAT WE DO

Forestry Futures Trust

The Forestry Futures Trust (FFT) was established under the authority of the *Crown Forest Sustainability Act* (1994), Part V. Section 51 of this Act states that the Minister may appoint a Forestry Futures Trust Committee to provide advice on the following matters:

1. *The funding of silvicultural expenses in Crown forests where forest resources have been killed or damaged by fire or natural causes.*
2. *The funding of silvicultural expenses on land that is subject to a forest resource license, if the licensee becomes insolvent.*
3. *The funding of intensive stand management and pest control in respect of forest resources in Crown forests.*
4. *Such other purposes as may be specified by the Minister.*

(Source: *Crown Forest Sustainability Act*, Part V, Section 51(3))

Other purposes specified by the Minister for which the Trust fund (base charge) currently includes:

- Independent Forest Audit Program
- Forest Genetic Resource Management Program
- Memberships (MNR project support with FP Innovations)
- Forest Tenure Modernization
 - Enhanced Sustainable Forest License - design and development
 - Local Forest Management Corporation – design, development and transition
 - Forest Management Component – forestry on forests returned to the Crown
- Enhanced Forest Resource Inventory production and delivery
- Treaty Settlement Transition Program
- Incremental Tree Planting Program

The Trust fund is managed by RBC Investor Services Trust. Funds are allocated to successful applicants under the direction of the Forestry Futures Trust Committee Chair, supported by decisions made through consensus by the Forestry Futures Trust Committee. The Committee members are appointed by the Minister for up to a three-year term, which may be renewed at the discretion of the Minister. The Trust is funded by harvest volume charges on Crown timber.

Forestry Futures Trust Committee

CHAIR



R.A. (Ray) Riley, R.P.F. (Hon) (member since February 2016). Ray holds degrees in geology from Acadia and Queens and was a member of the

Professional Engineers Ontario for over 40 years. He comes to the FFTC after 30 years with the Ontario government culminating as Assistant Deputy Minister of Operations for Ontario's MNR. Subsequent to his career in government, he was active as a consultant focusing on natural resource management. Ray completed his appointment in the fall of 2026.

MEMBERS



W.D. (Bill) Baker, (member since February 2016) had a 30-plus year career in natural resource management primarily as a senior manager

with the Ontario Ministry of Natural Resources. Bill has worked throughout Ontario in a variety of capacities but has spent much of his career in northwestern Ontario and Thunder Bay.



James Harrison, (member since February 2016) holds a Forestry Degree (1975) from Lakehead University. His 39 year career with industry

included positions with Kimberly-Clark of Canada and Greenmantle Forest Inc. James sits as the FFTC representative on the Provincial Forest Inventory Advisory Committee.



Corrinne Nelson R.P.F., (member since November 2025) In her nearly 30 year career with the Ministry of Natural Resources, Corrinne was most recently

the Regional Director of Northeast Region managing MNR's programs across a vast geography of northern Ontario. Corrinne also had been the manager in several districts. Prior to that, Corrinne was the Provincial Silviculture Specialist providing leadership to Ontario's silviculture program and Ontario's State of the Forest program. Corrinne spent her early career working as a forester and technician in Saskatchewan. Corrinne currently volunteers with Civil Air Search and Rescue.



Peter Nitschke R.P.F., (member since November 2025) Peter Nitschke began his forestry career in 1983 following the completion of his university

studies. His professional experience spans New Brunswick, Nova Scotia, and Ontario, across both public and private sectors. From 1998 to 2020, he served as the General Manager of a Sustainable Forest Licence partnership based in Bancroft, Ontario. His areas of expertise include applied forest genetics, growth and yield, forest management, planning, and governance, including managing a Board of Directors. Peter has also served on the Council and Executive of the Ontario Professional Foresters' Association, an organization which licences professional foresters in Ontario.



Jennifer Tallman R.P.F. , (member since November 2025). Jennifer worked for 33 years in the Ontario forest sector with majority of her

career spent at Interfor and Resolute Forest Products in Northeastern Ontario in forest operations and forest management. She most recently served as the Chief Forester for Ontario with Interfor working with her team to manage two Sustainable Forest Licences, as director on Abitibi River Forest Management Inc. and

Timiskaming Forest Alliance Inc. boards and contribute to natural resource policy development. Jennifer is currently the Chair for the Cochrane Public Library Board.



Mike Barker, (member since 1999) enjoyed a 32-year career in natural resource management, holding positions such as District Manager within the Ministry of

Natural Resources, and Assistant Deputy Minister for the Ministry of Northern Development and Mines. Mike completed her appointment in the fall of 2026.



Dr. Sandy M Smith, (member since January 2017) is a Professor in Forestry at the University of Toronto, having served as Dean of the Faculty of

Forestry (2010-2012), published 140+ papers, supervised 65+ graduate students. She specializes in forest health and urban forests, specifically natural controls to manage invasive species. She is a Fellow of the Royal Entomological Society (UK), Minjiang Scholar (China), Past President of the Entomological Societies of Canada and Ontario, and currently serves on the Boards of Trees Canada and the Ontario Invasive Plant Council. Sandy completed her appointment in the fall of 2026.



George Gretes, (member since August 2023). George Gretes is co-founder and Partner of Harrington Place Advisors. He brings over 10 years of

experience in developing engagement strategies and due diligence for some of Canada's largest projects. George holds a Hons. BA from the University of Toronto. George completed his appointment in the fall of 2026.

Our Support Team

Assisting the Committee is a small team reporting to the Chair:

- Anastasia Frisby, R.P.F., Office Administrator, program support and Forest Tenure Programs Coordinator
- Peter Street, R.P.F., Independent Forest Audit and Treaty Settlement Transition Coordinator
- Shelley Vescio, R.P.F., Silviculture, Genetics and FRI Program Coordinator Retired December 2025
- Marian Scaffeo, R.P.F. Silviculture, and FRI Program Coordinator, started February 2026
- Betty VanKerkhof R.P.F, contract assignment as liaison for the FFTC FGRM strategic initiative

FFT Secretariat – Ministry of Natural Resources and Forestry

Since its inception in 1995, the FFTC has enjoyed a productive working relationship with the Ministry of Natural Resources (MNR) staff. As the Committee's mandate expanded over the decade, the lines of communication and the number of Ministry contacts correspondingly increased. In this regard, the Secretariat functions are provided by Director Peter Henry, and Rhonda Hancherow of Forest Guides and Silviculture Section, Cathy Hamor and CJ McLarty of Forest Tenure and Economics Branch. Key staff are listed below by program area.

- Independent Forest Audit Program –Ernie Demuth R.P.F. and Erin Buckley
- Forest Resource Inventory Program- Trisha Westman, Michelle Colley, Ian Sinclair R.P.F., Angus Carr R.P.F. and Geordie Robere-McGugan, R.P.F.
- Tenure Modernization - Marcel Rizzo.
- Treaty Settlement Transition Component- Jennifer Card
- Incremental Tree Planting Program (2Billion Trees)- Mike Brienesse R.P.F.

The MNR's FFT Secretariat continues to fulfil its role while honouring the principle of committee independence on all matters related to funding allocations for projects. The FFTC thanks the Directors and staff of Crown Forests and Lands Policy Branch, Operations Branch, Forest Tenure and Economic Branch, Integration, Science and Research Branch (including FRI and Growth and Yield) and Business Development Branches for their continued support.

State of the Trust

The Forestry Futures Trust fund is in a healthy position and has fully recovered from the economic difficulties that previously affected the sector through the 2007-2010 economic downturn. We are closely monitoring trust financials in light of market trends. The fiscal financials, which provide the details, are available through our website, www.forestryfutures.ca.

Committee Operations Budget 2025/26

Available Funds	
Received from the <i>Forestry Futures Trust Fund</i> accounts	426,024.40
2024/25 unspent balance	100,485.61
TOTAL Funds Available	526,510.01
Expenditures	
Meetings/Travel	51,380.21
Committee Honorariums	68,650
Professional /Administrative /Contract Staff	261,637.06
Supplies (Communication/Consumables)	15,377.68
Equipment / Signage	3,929.56
Overhead/Insurance	55,118.91
TOTAL Expenses	\$456,093.42

OUR PROGRAMS

Silviculture Program

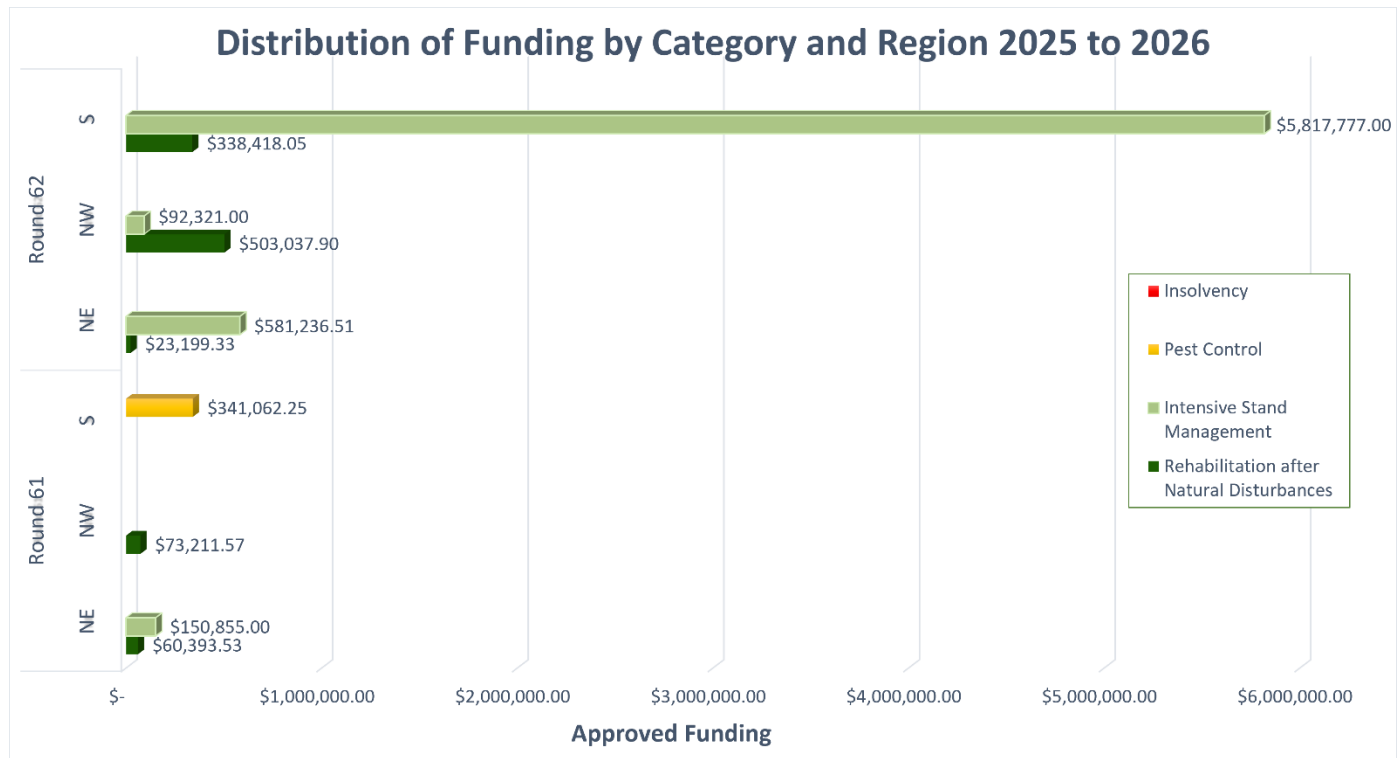
In September and January of each fiscal year, the Committee extends invitations to Sustainable Forest License holders to submit applications for funding of silviculture projects that meet eligibility requirements under the categories of Intensive Stand Management, Rehabilitation after Natural Disturbances, Pest Control and Insolvency. Information about these categories is described in the FFTC Silviculture Project Application Guide that can be found under the Forms and Reports menu tab on our website.

In 2025-26, successful applications for Rounds 61 and 62 resulted in a capital expenditure of \$7,981,512.14, with \$625,522.35 allotted to Round 61 and \$7,355,989.79 to Round 62. The chart below illustrates the amount of funding approved under each of Rounds 61 and 62 and is displayed by silviculture category and region (South, Northwest, Northeast). Among regions,

82% of the funding was awarded to the South, 10% was awarded to the Northeast, and 8% was awarded to the Northwest. Among categories, eighteen Intensive Stand Management projects received 83% of approved funds, ten projects were categorized as Rehabilitation after Natural Disturbances received 12% and one Pest Control project was awarded 4% of the total budget.

Note: Lists of New, Ongoing and Completed

FFT Silviculture Program projects can be found at <https://www.forestryfutures.ca/silvicultural-program>



Forest Genetic Resource Management Program

The Forest Genetic Resource Management (FGRM) Program is a specific purpose of the Forestry Futures Trust. The funding of FGRM via the FFT provides support for maintaining Ontario's forest genetic assets, for ensuring that genes are conserved and for developing trees that are adapted for future growing environments. FGRM is a valuable resource for forest management in Ontario and contributes to the Crown Forest Sustainability Act (CFSA) purpose of providing for the sustainability of Ontario's Crown forests. The program supports tree improvement, provides a viable and reliable source of genetically improved seed, conserves existing genetic diversity, and supports adaptation to a changing environment. Ontario's three Regional Genetic Associations, i.e., Superior Woods Tree Improvement Association (SWTIA), Northeast Seed Management Association (NeSMA), and the Forest Gene Conservation Association

(FGCA), are partners with Sustainable Forest Licensees and others in implementing a forest genetics program that benefits Ontario's Crown forests.

In addition to providing funding through the FFT, Ontario Ministry of Natural Resources researchers study forest genetics and tree improvement to support Provincial policy and operational programs in collaboration with partners, such as the Associations and universities.

The FGRM annual budget is \$675,000 from which \$375,000 is allotted to core funding for the three Associations and \$300,000 is available for project-based activities. The 2022-2027 FGRM Directive extension secured funding for five fiscal years ending March 31, 2027.

Listed below are categories under which FGRM project-based activities are eligible for funding.

FGRM Approved Funding Categories		Examples
1	Contribution to achievement of goals of the 1987 Provincial Tree Improvement Master Plan or MNRF FGRM policies or plans	Maintenance of existing tree improvement and tree breeding programs
2	Information management supporting forest genetic resources	Forecasting models, analysis approaches, database development/management
3	Establishment and maintenance of genetic tests or archives	Provenance trials, assisted migration trials
4	Forest gene conservation projects	In-situ and ex-situ conservation activities
5	Forest genetic research	Climate-change adaptations, pest resistance



NeSMA 2025-2
Beaton Jack Pine 2nd
generation orchard
establishment (left)

SWTIA 2025-1
Pruning graphed
stock from 2024
(right)

Association provided photos



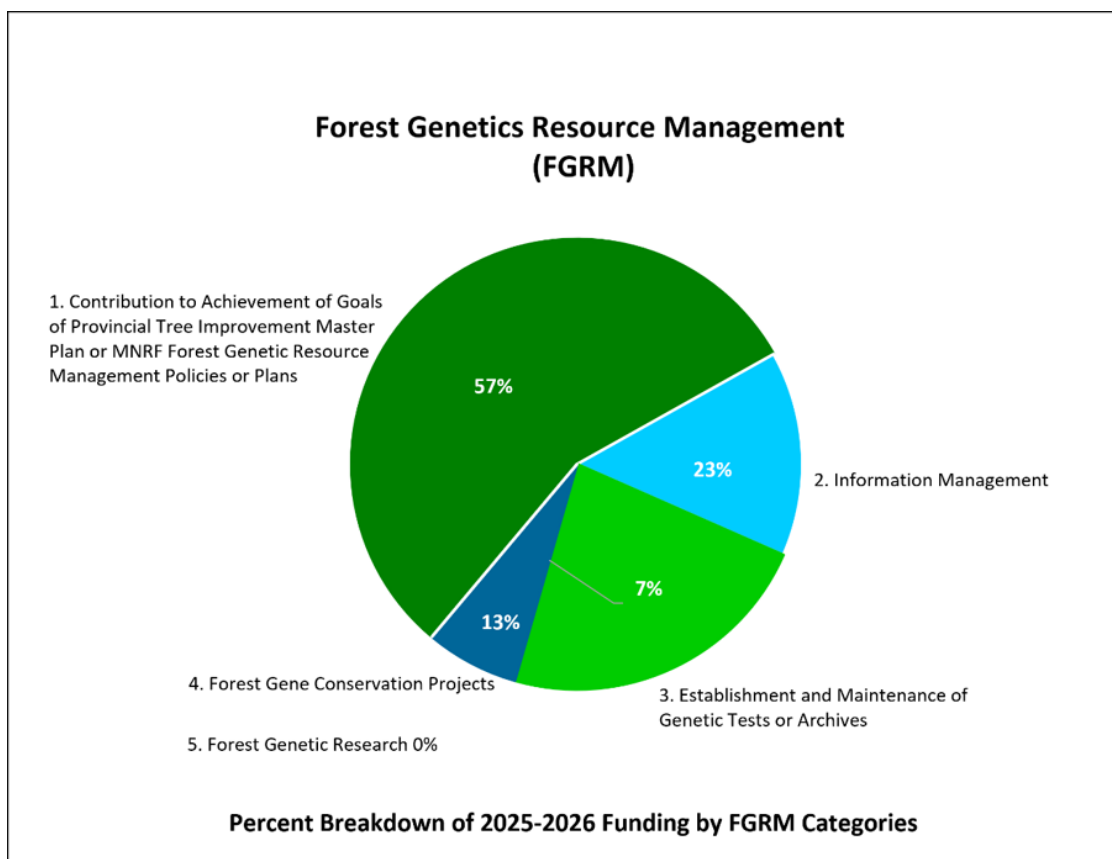
While individual projects may incorporate facets of more than one of the FGRM approved-funding categories, in 2025-2026, the Associations broadly directed 57% of their funding toward activities that *Contributed to the Achievement of the Province's Tree Improvement Master Plan Goals or its FGRM Policies or Plans*, 23% to *Information Management*, 7% to the *Establishment and Maintenance of Genetic Tests or Archives*, 13% to *Forest Gene Conservation Projects* and 0% to *Forest Genetic Research*.

In spring 2024, FFTC and the Associations briefed MNR on FFTC's FGRM Program 10-Year Strategic Plan. This led to the initiation of quarterly information sharing meetings between the MNR, FFTC and the Associations and identified the need to develop a Terms of Reference for this FGRM Working Group. The Terms of Reference was finalized in October 2025 with a purpose that focused on nurturing, strengthening, and advancing strategic, tactical and operational FGRM efforts in the province of Ontario

In 2025-26 the FGRM Working Group continued to meet quarterly and used sub-groups that met more frequently to work on specific tasks, developing the terms of reference, discussing the development of a process to recognize genetic gain, discussing funding options and developing a values proposition, working through the roles and responsibilities of the three parties and their staff related to various aspects of forest genetics, e.g., tree improvement and land tenure.

Applicants are required, in the application process, to demonstrate how project proposals support strategic priorities described in this document. This program direction may be updated from time to time. The strategic plan was designed as an interim document pending any updated strategic policy direction that Ontario may develop for the FGRM Program.

Note: Lists of approved Forest Genetics Resource Management Program project descriptions can be found on the FFTC website <https://www.forestryfutures.ca/forest-genetic-resource-management-program>



Independent Forest Audit Program

The Forestry Futures Trust Committee (FFTC) has traditionally implemented the annual Independent Forest Audit (IFA) Program for the MNR. FFTC responsibilities include: the allocation of funds to cover the cost of the audits; contract management, communication with the audit firms and key audit participants; attending audit meetings and field site visits. The FFTC ensures the audit program is implemented according to the IFA Process and Protocol (IFAPP). The Committee reviews all draft reports and ensures the final reports are of the highest quality. The Committee also provides recommendations to MNR concerning revisions to the audit program and the IFAPP, coordinates auditor and auditee training sessions with MNR, and makes recommendations to the Minister of Natural Resources as required or appropriate.

Six Independent Forest Audits (IFAs) were completed in 2025 using the 2024 Independent Forest Audit Process and Protocol (IFAPP). There were numerous changes in the 2024 IFAPP over the 2023 IFAPP. These changes included:

- The IFAPP was re-structured to align with the regulation – which removed of the 8 former principles, into 6 regulatory requirements.
- Multiple procedures removed for not aligning with the regulation or for redundancy.
- Multiple procedures merged with similar/repetitive procedures for clarity.
- All procedures were reviewed, and remaining procedures are now mandatory.
- Increasing the closing meeting following the end of the field audit from one week to two weeks.
- Updating roles and responsibilities.

- Added in First Nation and Métis community representatives to the roles and responsibilities.
- Strengthened language around First Nation and Métis community/organization participation.
- New risk assessment method for unexpected costs post RFS bidding process.
- Auditors must now submit audit plan one week before the pre-audit meeting. Audit plan must be submitted to First Nation and Métis communities in or adjacent to the MU.
- Language revised to direct auditors to sample 10% of activities conducted during duration of audit period, rather than 10% of activities conducted on annual basis during audit period.

The six 2025 audits included:

- Bancroft Minden Forest which is managed by the Bancroft-Minden Forest Company under its Sustainable Forest License #542585 granted by the Ministry of Natural Resources.
- The Boundary Waters Forest is managed under Sustainable Forest Licence #542245 by Boundary Waters Forest Management Corporation.
- The Hearst Forest is managed under Sustainable Forest Licence # 550053 by Hearst Forest Management Incorporated.
- The Nipissing Forest is managed under Sustainable Forest Licence #542053 by Nipissing Forest Resource Management Inc.
- The Ogoki Forest is a Crown Management Unit administered by the Ontario Ministry of Natural Resources, Nipigon Geraldton District, in the Northwest Region. MNR has entered into a Forestry Agreement with Agoke Development Limited Partnership. Implementation of the Forestry Agreement has been

contracted to GreenForest Management Inc.

- The Romeo Malette Forest is managed by GreenFirst Forest Products (QC) Inc., under Sustainable Forest Licence #550398 awarded May 14, 2003 to RYAM Forest Management, (subsequently purchased in 2021 by GreenFirst).

On five Forests the auditors found that the management was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the Forests were being managed in compliance with the terms and conditions of their Sustainable Forest Licences.

On one Forest (Bancroft Minden), the auditors found that while the management was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, there were three critical exceptions in how the silvicultural program was being implemented.

As shown in Table 1 below, the audits identified a number of findings and Best Practices, in all six audits. All six reports have now been accepted by the Ministry. Detailed action plans to address the findings presented in the audit reports were, or are being prepared, and have been or will be posted on the Ontario government website alongside the audit reports at <https://www.ontario.ca/page/independent-forest-audits>

Table 1. Summary of the 2024 Audit Findings and Best Practices for all six audits with respect to the six regulatory requirements

Regulatory Requirement	Bancroft Minden Forest	Boundary Waters Forest	Hearst Forest	Nipissing Forest	Ogoki Forest	Romeo Malette Forest	Total
Compliance Findings	4	3					7 16%
Meeting FMP Objectives Findings	5	3	1	2	3	4	18 41%
Planned versus Actual Findings	3	2	2	2	1	3	13 29%
Action Plan Findings			1				1 2%
Licence Requirements Findings		1	2				3 7%
Sustainability Requirements Findings					2		2 5%
No of Findings	12	9	6	4	6	7	44
No. of Best Practices	1 Compliance	1 Compliance	1 FMP Objectives	1 FMP Objectives	1 Licence Req.	2 Compliance	

The six audits were awarded at a total cost of \$665,443.44, or on average \$110,907.24 per audit (as compared to 2024 which averaged out to \$95,160.13. All values include HST. The increase in the average cost per audit can be attributed to the complexities of these particular six forests

Common Findings

While most of the findings from the 2025 audits were unique to the Forest being audited, there were several findings that were noted in more than one report.

For Regulatory Requirement Plan versus actual: The Findings reported point to inadequate compliance planning and implementation on the part of both the SFL Holders and the MNR Districts. Please refer to Bancroft Minden Forest Finding #10, Boundary Waters Forest Finding #7, Nipissing Forest Finding # 2, and Ogoki Forest Finding #1.

The Findings also reported problems with both the SFL Holders and MNR Districts Silvicultural Effectiveness and Monitoring Programs (this was also an issue identified in the 2024 IFA Summary). Please refer to Bancroft Minden Forest Finding #12, and Nipissing Forest Finding # 3 and #4.



2025 IFA field portion: Nipissing Forest



2025 IFA field portion of the audit: Boundary Waters Forest (left) and Bancroft Minden Forest (right)

Tenure Modernization Programs

Forest Management Component Program

When Sustainable Forest Licenses (SFLs) are returned to the Crown due to bankruptcy or insolvency, MNR assumes responsibility for all forest management activities on that management unit. Forest management expenditures incurred by the Crown to do this work are funded from additional revenue paid to the Forestry Futures Trust from the Crown stumpage system. The additional funds are generated by a management fee charged for each cubic metre of wood harvested in the area. This has been termed the Forest Management Component (FMC).

The FFTC manages open FMC accounts for Wabadowgang Noopming (formerly Armstrong), Whiskey Jack, and the Ogoki Forest. The Pic, Kenogami, Magpie (has been amalgamated with Martel Forest to become Missinaibi Forest), Pic River and Sapawe (now as part of the Boundary Waters Forest) Forests have dormant accounts since the forests are operating under SFLs.

Enhanced Sustainable Forest License

The Enhanced Sustainable Forest License (eSFL) program was established in late 2011, as an outcome of the Ministry's tenure modernization initiative, with an allocation of the remaining funds (\$1.8 M) from the SFL Conversion program. In 2012, the Committee developed an application process and the first application was submitted in 2013. There are no current eSFL projects.



2025 IFA field portion:
Ogoki Forest (left)
and Hearst Forest
(right)

Local Forest Management Corporation Conversion Program

In August 2012, the MNR added funding of the Local Forest Management Corporation (LFMC) Conversion Program to the Forestry Futures Trust Fund. The purpose is to provide financial support to the establishment and start-up of Ontario LFMCs. The Trust serves as an interim mechanism to capture redirected Crown stumpage charges required for forest management activities on the proposed LFMC land area until such time as the Sustainable Forest Licenses are issued to the LFMC.

The first LFMC, Nawiingnokiima Forest Management Corporation (NFMFC), was established in May 2012.

NFMFC has been issued the SFLs for Pic, White River and Pic River Forests.

For more information visit their website:
<https://nfmforestry.ca>

The government approved the establishment of the Temagami Forest Management Corporation (TFMC) December 2020. TFMC has been issued the SFL for Temagami Forest.

For more information follow the links on their website: <https://www.temagamiforest.com>

For more information follow the links on the MNR website: www.ontario.ca/page/forest-tenure-modernization



Forest Resource Inventory Program

The Forest Resources Inventory (FRI) program is designed to develop a forest resource inventory for the managed forest area of Ontario using current technologies. Funds for this program come from harvest volume charges paid by sustainable forest licensees on Crown timber. These funds are administered from a dedicated Forestry Futures Trust (FFT) account.

The FFTC administers the FRI program funding in partnership with the Ministry of Natural Resources. The FRI is a ministry-designed program with components of the work contracted to qualified firms through the government procurement process. The FFTC leads the design of and co-delivers the knowledge transfer and tool (KTTD) component of the program.

The 2025–26 fiscal year marked the 19th year of the ministry’s FRI program. The ministry is producing lidar-enhanced inventories for all 39 management units in Ontario, sequenced to align with the forest management planning schedule. Key accomplishments in 2025–26 included:

1. Transitioning to operational lidar-enhanced inventory production

The program moved from pilot delivery (White River Forest) to full operational production of management unit-level inventories using lidar, optical imagery, and field data. The work — undertaken collaboratively with sustainable forest licensees — focused on:

- seven inventories to support 2029 forest management plans
- ten inventories to support 2030 forest management plans
- initiation of 15 inventories to support 2031 forest management plans

2. Completing lidar and optical data acquisition

Aerial lidar and optical data acquisition was completed for all 39 management units. Following final quality checks, the single-vendor, multi-year data acquisition contract was closed. Resulting products are publicly available to support broader use.

3. Continuing field data collection

Vendors collected field (ground plot) data required to calibrate lidar inventory models for six management units:

- Trout Lake Forest (153 plots)
- Mazinaw-Lanark Forest (161 plots)
- Bancroft-Minden Forest (155 plots)
- Nagagami Forest (107 plots)
- Algoma Forest (130 plots)
- Caribou Forest (180 plots)

This effort brings the number of management units with complete or near-complete field data to 32 of 39.

Contracts have been awarded to collect field data for five more units in summer 2026 and continue upgrading some completed field plots to long-term monitoring plots.

4. Continuing field-based quality assurance and control

The ministry continued field-based quality checks by assessing approximately 20% of vendor-collected plots for completeness and accuracy. These field checks address elements that cannot be fully evaluated through office-based data validation processes.

5. Enhancing computing infrastructure

The ministry continues to address computing challenges. Key upgrades to the FRI cloud-based information management solution in 2025–26 included:

- a new, higher-capacity data-processing platform to better support concurrent work on multiple inventories
- a new GIS platform to enable collaborative, late-stage inventory refinement through targeted photo interpretation

6. Procuring photo interpretation

The ministry took key steps to procure targeted photo interpretation:

- the team developed and tested contract controls and a technical methods and standards manual through a small invitational procurement, resulting in contracts awarded for two management units in March 2026
- approval was obtained for a larger scale, open competitive procurement to begin in 26–27

Knowledge Transfer and Tool Development (KTTD) Component of FRI

The goal of the KTTD program is to support advancement of the Provincial FRI Program's mandate by facilitating development of open-source tools and research that addresses identified FRI needs and transferring that knowledge back to government, industry, academia, and the forestry community. Rounds are called every three years with \$1,500,000 (excluding HST) budgets allotted per round. Rounds were held in 2015, 2018, 2021 and 2024.

The next round of invitations is planned for the late fall of 2026. There are 3 projects still finalizing in 2026-27 fiscal year. All approved project descriptions, funding and deliverables are available on our website

<https://www.forestryfutures.ca/forest-resource-inventory>



2025 IFA field portion: Nipissing Forest

Treaty Settlement Transition Component

This program enables the Forestry Futures Trust Committee to provide funding to certain Indigenous communities in the Algonquin Land Claim Area for capacity building and economic development related to forestry on proposed treaty settlement lands.

The revenue for this initiative results from redirecting Crown dues charges on timber harvested from proposed settlement lands to a fund administered by FFTC.

The Ministry of Natural Resources and the Forestry Futures Trust Committee worked with the Algonquins of Ontario (AOO) to establish the specifics of how the funding would be accessed. Eligible activities, funding eligibility criteria, the application (including evaluation and approval criteria) and the disbursement process have now been defined and there was an announcement of the opening for applications spread throughout the Algonquin Communities in the spring.

There have been 3 approved projects. The Kijicho Manito Madaouskarina Algonquin First Nation chain saw safety certification and the Pikwakanagan First Nation stand improvement projects are ongoing. The third project was approved this fiscal. Snimikobi Algonquin First Nation is certifying 30 drone operators with Transport Canada to build capacity to conducting aerial surveys on Settlement Lands. To date, \$177,578.15 in project funding has been approved.

The committee accepts proposals as they are developed.

Incremental Tree Planting Program

On November 8, 2023 the Minister of Natural Resources and Forestry specified the following as a new purpose for the Trust: The partial funding of costs for activities in the Ontario Crown managed forest eligible for funding under Government of Canada's 2-Billion Trees program, to be referred to as "Ontario's Incremental Tree Planting (ITP) Program".

Round 1 was issued March 19, 2024 and three applications were received by the April 26th deadline. These eligible projects were approved at a total of \$600,399.

Round 2 was issued August 8, 2024 and three applications were received by the September 27th deadline. These eligible projects were approved at a total of \$671,329.

Round 3 was issued January 10, 2025, in conjunction with our regular silviculture invitation, and one application was received by the February 14th deadline. This eligible project was approved at a total of \$102,192.

A total of \$739,426.09 in funding was distributed for this initiative, with the funds being sourced equally from the Province of Ontario and the federal government. A summary description of these projects can be found on our website

<https://www.forestryfutures.ca/silvicultural-program>

